



General Assembly

January Session, 2009

Committee Bill No. 6041

LCO No. 4641

04641HB06041PD_

Referred to Committee on Planning and Development

Introduced by:
(PD)

**AN ACT CONCERNING MUNICIPAL ASSESSMENTS AND
ASSESSMENT APPEALS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 9-199 of the general statutes is amended by adding
2 subsection (d) as follows (*Effective October 1, 2009*):

3 (NEW) (d) Beginning with the assessment year commencing
4 October 1, 2009, a member of the board of assessment appeals shall
5 complete the necessary training as prescribed by the education
6 committee of the Connecticut Association of Assessing Officers no
7 later than one year after the date of such member's appointment or
8 election to such board or the effective date of this section, whichever is
9 later. Upon a board member's successful completion of such training,
10 the Connecticut Association of Assessing Officers shall send a
11 certificate of completion to the chief administrative official of the town
12 in which such member serves.

13 Sec. 2. Subsection (a) of section 12-111 of the general statutes is
14 repealed and the following is substituted in lieu thereof (*Effective*
15 *October 1, 2009*):

16 (a) Any person, including any lessee of real property whose lease
17 has been recorded as provided in section 47-19 and who is bound
18 under the terms of a lease to pay real property taxes and any person to
19 whom title to such property has been transferred since the assessment
20 date, claiming to be aggrieved by the doings of the assessors of such
21 town may appeal therefrom to the board of assessment appeals. Such
22 appeal shall be filed, in writing, on or before February twentieth. The
23 written appeal shall include, but is not limited to, the property owner's
24 name, name and position of the signer, description of the property
25 which is the subject of the appeal, name and mailing address of the
26 party to be sent all correspondence by the board of assessment
27 appeals, reason for the appeal, appellant's estimate of value, signature
28 of property owner, or duly authorized agent of the property owner,
29 and date of signature. The board shall notify each aggrieved taxpayer
30 who filed a written appeal in the proper form and in a timely manner,
31 no later than March first immediately following the assessment date, of
32 the date, time and place of the appeal hearing. Such notice shall be sent
33 no later than seven calendar days preceding the hearing date except
34 that the board may elect not to conduct an appeal hearing for any
35 commercial, industrial, utility or apartment property with an assessed
36 value greater than [five hundred thousand] one million dollars. The
37 board shall, not later than March first, notify the appellant that the
38 board has elected not to conduct an appeal hearing. An appellant
39 whose appeal will not be heard by the board may appeal directly to
40 the Superior Court pursuant to section 12-117a. The board shall
41 determine all such appeals and send written notification of the final
42 determination of such appeals to each such person within one week
43 after such determination has been made. Such written notification shall
44 include information describing the property owner's right to appeal
45 the determination of such board. Such board may equalize and adjust
46 the grand list of such town and may increase or decrease the
47 assessment of any taxable property or interest therein and may add an
48 assessment for property omitted by the assessors which should be
49 added thereto; and may add to the grand list the name of any person

50 omitted by the assessors and owning taxable property in such town,
51 placing therein all property liable to taxation which it has reason to
52 believe is owned by such person, at the percentage of its actual
53 valuation, as determined by the assessors in accordance with the
54 provisions of sections 12-64 and 12-71, from the best information that it
55 can obtain, and if such property should have been included in the
56 declaration, as required by section 12-42 or 12-43, it shall add thereto
57 twenty-five per cent of such assessment; but, before proceeding to
58 increase the assessment of any person or to add to the grand list the
59 name of any person so omitted, it shall mail to such person, postage
60 paid, at least one week before making such increase or addition, a
61 written or printed notice addressed to such person at the town in
62 which such person resides, to appear before such board and show
63 cause why such increase or addition should not be made.

64 Sec. 3. Section 12-63b of the general statutes is repealed and the
65 following is substituted in lieu thereof (*Effective October 1, 2009, and*
66 *applicable to assessment years commencing on or after October 1, 2009*):

67 (a) The assessor or board of assessors in any town, at any time,
68 when determining the present true and actual value of real property as
69 provided in section 12-63, which property is used primarily for the
70 purpose of producing rental income, exclusive of such property used
71 solely for residential purposes, containing not more than six dwelling
72 units and in which the owner resides, [and with respect to which
73 property there is insufficient data in such town based on current bona
74 fide sales of comparable property which may be considered in
75 determining such value,] shall determine such value on the basis of an
76 appraisal which shall include to the extent applicable with respect to
77 such property, consideration of each of the following methods of
78 appraisal: (1) Replacement cost less depreciation, plus the market
79 value of the land, (2) [the gross income multiplier method as used for
80 similar property and (3)] capitalization of net income based on market
81 rent for similar property, and (3) a sales comparison approach based
82 on current bona fide sales of comparable property. The provisions of

83 this section shall not be applicable with respect to any housing assisted
84 by the federal or state government except any such housing for which
85 the federal assistance directly related to rent for each unit in such
86 housing is no less than the difference between the fair market rent for
87 each such unit in the applicable area and the amount of rent payable
88 by the tenant in each such unit, as determined under the federal
89 program providing for such assistance.

90 (b) For purposes of subdivision [(3)] (2) of subsection (a) of this
91 section and, generally, in its use as a factor in any appraisal with
92 respect to real property used primarily for the purpose of producing
93 rental income, the term "market rent" means the rental income that
94 such property would most probably command on the open market as
95 indicated by present rentals being paid for comparable space. In
96 determining market rent the assessor shall consider the actual rental
97 income applicable with respect to such real property under the terms
98 of an existing contract of lease at the time of such determination.

99 Sec. 4. Section 12-63c of the general statutes is repealed and the
100 following is substituted in lieu thereof (*Effective October 1, 2009, and*
101 *applicable to assessment years commencing on or after October 1, 2009*):

102 (a) In determining the present true and actual value in any town of
103 real property used primarily for purposes of producing rental income,
104 the assessor, which term whenever used in this section shall include
105 assessor or board of assessors, [shall have power to require, subject to
106 the conditions in subsection (b) of this section,] may require in the
107 conduct of any appraisal of such property pursuant to the
108 capitalization of net income method, as provided in section 12-63b, as
109 amended by this act, that the owner of such property annually submit
110 [or make available] to the assessor not later than the first day of June,
111 on a form provided by the assessor not later than forty-five days before
112 said first day of June, the best available information disclosing the
113 actual rental and rental-related income and operating expenses
114 applicable to such property. Submission of such information may be

115 required whether or not the town is conducting a revaluation of all real
116 property pursuant to section 12-62. Upon determination that there is
117 good cause, the assessor may grant an extension of not more than
118 thirty days to file such information, if the owner of such property files
119 a request for an extension with the assessor not later than May first.

120 (b) Any such information related to actual rental and rental-related
121 income and operating expenses and not already a matter of public
122 record which is submitted or made available to the assessor shall not
123 be subject to the provisions of section 1-210.

124 (c) If upon receipt of information as required under subsection (a) of
125 this section the assessor finds that such information does not appear to
126 reflect actual rental and rental-related income or operating expenses
127 related to the current use of such property, additional verification
128 concerning such information may be requested by the assessor. All
129 information received by the assessor under subsection (a) of this
130 section shall be subject to audit by the assessor or a designee of the
131 assessor. Any person claiming to be aggrieved by the action of the
132 assessor hereunder may appeal the actions of the assessor to the board
133 of assessment appeals and the Superior Court as otherwise provided in
134 this chapter.

135 (d) Any owner of such real property required to submit or make
136 available information to the assessor in accordance with subsection (a)
137 of this section for any assessment year, who fails to submit such
138 information or fails to make it available as required under said
139 subsection (a) or who submits information or makes it available in
140 incomplete or false form with intent to defraud, shall be subject to a
141 penalty [assessment] equal to a ten per cent increase in the assessed
142 value of such property for such assessment year. The assessor shall
143 add such penalty to the assessment of such real property to the grand
144 list for the assessment date following the date information under this
145 section is required to be submitted, or to the grand list for the
146 assessment date following the date of a determination by the assessor

147 that information was submitted in incomplete or false form and with
 148 the intent to defraud. Notwithstanding the provisions of this
 149 subsection, an assessor or board of assessment appeals shall waive
 150 such penalty if the owner of the real property required to submit the
 151 information is not the owner of such property on the assessment date
 152 for the grand list to which such penalty is added. Such assessor or
 153 board may waive such penalty upon receipt of such information in any
 154 town in which the legislative body adopts an ordinance allowing for
 155 such a waiver.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2009</i>	9-199
Sec. 2	<i>October 1, 2009</i>	12-111(a)
Sec. 3	<i>October 1, 2009, and applicable to assessment years commencing on or after October 1, 2009</i>	12-63b
Sec. 4	<i>October 1, 2009, and applicable to assessment years commencing on or after October 1, 2009</i>	12-63c

Statement of Purpose:

To require members of a board of assessment appeals to complete training; to increase the value of assessed property for which boards of assessment appeals must conduct a hearing; and to revise the process for the disclosure of income and expense information for the purpose of valuing income producing property for assessment purposes.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: REP. AMAN, 14th Dist.; REP. ORANGE, 48th Dist.

H.B. 6041, 5553